As can be seen, availability of Urea, DAP and NPK is comfortable. However, there may be little tightness in availability of MOP in the month of July. The MOP importers have already entered into supply contracts and arrivals of imported MOP vessels will start soon, which will improve MOP supplies to Gujarat.

Rise in medicine prices

3070. SHRI N.R. GOVINDARAJAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether prices of medicines/life saving drugs have increased manifold during the current year;

(b) if so, the details thereof;

(c) the reasons alongwith the percentage of increase in prices of each medicine in comparison to the last two years;

(d) whether Government has set up or proposes to set up any high powered committee for review of price control mechanism of medicines;

(e) if so, the details thereof; and

(f) the steps taken by Government to keep the prices of medicines/life saving drugs under control?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA) : (a) to (c) Under the provisions of the Drugs (Prices Control) Order, 1995 (DPCO 1995), the prices of 74 bulk drugs included in its First Schedule and the formulations containing any of these drugs are controlled. National Pharmaceutical Pricing Authority (NPPA)/Government fixes or revises prices of the Scheduled drugs/formulations as per the provisions of the DPCO, 1995. No one can sell any Scheduled drug/formulation at a price higher than the price fixed by NPPA/Government.

During the current financial year 2009-10 (up to 30th June, 2009), the prices of 481 medicine packs have been fixed/revised by the NPPA, out of which only in 42 cases the prices have increased. The increase is due to upward revision in the notified price of the bulk drugs and cost of inputs. This constitutes 8.7% of the total cases for which prices were fixed/revised during 2009-10. In the remaining cases, the prices were either reduced or fixed for the first time or there was no change in the price.

In respect of drugs not covered under the DPCO, 1995 *i.e.* non-Scheduled drugs, the manufacturers are at liberty to fix the prices by themselves without seeking the approval of Government/NPPA. Such prices are normally fixed depending on the various factors like the cost of bulk drugs used in the formulation, cost of excipients, cost of R&D, cost of utilities/packing material, sales promotion costs, trade margins, quality assurance cost, landed cost of imports etc. Wherever a price increase beyond 10% per annum (20% before

01.04.2007) is noticed, the manufacturer is asked to bring down the price voluntarily failing which, subject to prescribed conditions action is initiated under paragraph 10(b) of the DPCO, 1995 for fixing the price of the formulation in public interest. This is an ongoing process.

(d) to (f) The Government has prepared a draft National Pharmaceuticals Policy, 2006, which was submitted to the Cabinet for its approval. It has also been proposed in the draft National Pharmaceutical Policy, 2006 that basket of drugs for price control would be the essential medicines as contained in the National List of Essential Medicines 2003 (subject to certain conditions and exemptions) in addition to the 74 drugs which are at present under price control under the Drugs (Prices Control) Order, 1995. Further, it has also been proposed to issue new Drugs (Prices Control) Order on the basis of the new policy framework to replace the existing DPCO, 1995. The Cabinet having considered the Policy in its meeting held on 11.1.2007 decided that it be considered by a Group of Ministers (GOM) at the first instance. The GOM held four meetings but did not make recommendations to the Cabinet. Draft National Pharmaceuticals Policy can be finalized only after GOM makes its recommendations to the Cabinet.

Shortage of fertilizers and seeds

3071. SHRIMATI JAYA BACHCHAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that an artificial shortage of fertilizers and seeds has been created in Haveri district of Karnataka thus generating discontentment among farmers there; and

(b) if so, what action Government has taken to address the problem there?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) Department of Fertilizers, Government of India ensures availability of fertilizers at State level. The distribution of fertilizers within the State rests with the State Government. The availability of Urea, DAP, MOP and complex fertilisers in Karnataka during Kharif, 2009 (April to July, 2009) is as under:—

('000 tonnes)

Month	UREA		DAP		MOP		NPK	
	Req.	Avl.	Req.	Avl.	Req.	Avl.	Req.	Avl.
April'09	40.00	68.59	30.00	61.83	30.00	37.74	50.00	86.24
May'09	60.00	81.61	75.00	144.07	27.00	37.82	76.90	107.45
June'09	130.00	135.91	123.30	164.33	51.00	76.22	109.50	94.51
July'09	170.00	171.00*	85.00	141.56*	54.00	29.67*	124.00	85.64*

(*as on 30/07/2009)